

Message Text

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TAGS: EGEN, ECOSOC, UNGA

SUBJECT: UNGA: COMMITTEE II. STATEMENT FOR REVIEW AND
APPRAISAL

1. US DEL IS AUTHORIZED TO JOIN IN THE CONSENSUS ON THE
REVIEW AND APPRAISAL (A/C.2/L.1329) WITH THE FOLLOWING
STATEMENT TO COMMITTEE II FOR THE RECORD.

2. THE COMMITTEE HAS ACCEPTED BY CONSENSUS THE REPORT
PREPARED BY THE WORKING GROUP ON THE REVIEW AND APPRAISAL
OF THE INTERNATIONAL DEVELOPMENT STRATEGY. MY GOVERNMENT
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REGARDS THE DEVELOPMENT STRATEGY AS ONE OF THE MOST
IMPORTANT TOPICS ON THE GENERAL ASSEMBLY'S AGENDA AND
HAS SHOWN A MAJOR INTEREST IN EACH STAGE OF THE REVIEW
PROCESS THIS YEAR. THE ECONOMIC AND SOCIAL DEVELOPMENT

OF LESS FORTUNATE COUNTRIES IS AN ITEM OF CONCERN SECOND ONLY TO PEACE-KEEPING. WHILE FAILURE TO KEEP THE PEACE WOULD RESULT IN LOSS OF LIFE AND LAY A BLIGHT ON OUR HOPES FOR THE FUTURE, OUR FAILURE TO PROGRESS ON THE ECONOMIC AND SOCIAL FRONT WOULD NOT ONLY WASTE THE INHERENT TALENTS OF PEOPLE BUT INCREASINGLY SOW DISSENSION AMONG OUR SOCIETIES WORLD WIDE.

3. WE REGARD THE VERY EXISTENCE OF THE STRATEGY AS A USEFUL UMBRELLA UNDER WHICH DEVELOPED COUNTRIES AND INTERNATIONAL ORGANIZATIONS CAN COORDINATE THEIR EFFORTS

WITH THOSE OF DEVELOPING COUNTRIES TO HELP SPEED THE SOCIAL AND ECONOMIC GROWTH OF THE DEVELOPING COUNTRIES. WE ALSO REGARD THE BIENNIAL REVIEW PROCESS AS A HELPFUL DEVICE TO MEASURE PROGRESS TOWARD REACHING THESE TARGETS, TOWARD MAKING DEVELOPING AND DEVELOPED COUNTRIES ALIKE MORE FAMILIAR WITH THE PROBLEMS YET TO BE OVERCOME, AND TOWARD BETTER PLANNING FOR THE FORTHCOMING VITAL MID-TERM REVIEW IN 1975.

4. WE TRUST THAT THE COMPLETION OF THIS REPORT WILL ENCOURAGE DONOR COUNTRIES TO KEEP THE STRATEGY AS AN INTEGRAL PART OF THEIR PLANNING IN THE AID, TRADE, AND MONETARY FIELDS AS WELL AS IN OTHER AREAS RELATED TO DEVELOPMENT.

5. WE ALSO HOPE THAT THE DEVELOPING COUNTRIES WILL DRAW THE NECESSARY LESSONS FROM THE REVIEW PROCESS AND GIVE PARTICULAR ATTENTION TO THE NEED FOR THEIR OWN INTERNAL MEASURES IN FINANCE AND FINANCIAL MANAGEMENT, THE ENCOURAGEMENT OF FOREIGN INVESTMENT, AND ATTENTION TO MORE COMPLETE DEVELOPMENT PLANNING AND MORE EFFECTIVE ADMINISTRATION OF THEIR DEVELOPMENT EFFORTS. WE RECOGNIZE THE INTERDEPENDENCE OF DEVELOPED AND DEVELOPING COUNTRIES AND HAVE NOTED THAT IN 1972 AND 1973 THE ECONOMIC BOOM CONDITIONS OF DEVELOPED

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COUNTRIES HAVE PROVIDED AN EXPANDED MARKET AT HIGHER PRICES FOR THE EXPORTS OF DEVELOPING COUNTRIES WITH THE RESULT THAT THERE WAS A MODESTLY FAVORABLE SHIFT IN THE TERMS OF TRADE IN THEIR FAVOR AND SIGNIFICANT INCREASES IN THEIR FOREIGN EXCHANGE EARNINGS AND RESERVES.

6. ALL OF US WHO HAVE PARTICIPATED IN THIS REVIEW PROCEDURE HAVE A NEW AWARENESS OF THE INTERESTS AND IMPORTANCE ATTACHED BY THE DEVELOPING COUNTRIES TO THE PROPER COMPLETION OF THE MONETARY REFORM, THE SATISFACTORY CONCLUSION OF THE FORTHCOMING SERIES OF TRADE NEGOTIATIONS AND IN THE EARLY EXPANSION OF THE TRANSFER

OF RESOURCES.

7. THIS REPORT IS THE END PRODUCT OF A MONUMENTAL LABOR BY UN AGENCIES AND DELEGATIONS OF COUNTRIES REPRESENTED AT THIS TABLE THROUGHOUT THIS YEAR. MY DELEGATION FINDS IT IMPOSSIBLE IN A SHORT TIME TO ACKNOWLEDGE THE EXTENSIVE CONTRIBUTIONS MADE BY SO MANY THROUGHOUT THE YEAR OF 1973. SUFFICE IT TO SAY THAT IN THE FINAL ANALYSIS THIS PRODUCT WOULD NOT HAVE RESULTED WITHOUT THE GOOD SPIRIT THAT CONTINUES TODAY AMONG DELEGATIONS OF DIVERSE PERSUASIONS WHICH WAS A DIRECT CONSEQUENCE

OF THE DISTINGUISHED LEADERSHIP AND ATTITUDE-SETTING OF THE CHAIRMAN OF THE WORKING GROUP, THE DEPUTY PERMANENT REPRESENTATIVE OF INDIA, MR. JAIN. OF COURSE, HE HAD THE HELP OF HIS VERY ABLE RAPPORTEUR, MR. GATES, OF NEW ZEALAND AND OF THE EXCELLENT SUPPORT BY THE SECRETARIAT. THE PROFESSIONAL BASIS FOR THE REVIEW WAS LARGELY ESTABLISHED BY THE EXCELLENT WORK ACCOMPLISHED BY THE SECRETARY-GENERAL AND THE CDPP. SPEAKING FOR MY DELEGATION, WE EXPRESS OUR THANKS TO THEM IN PARTICULAR AS WELL AS TO THE LEGION OF OTHERS THAT HAVE CONTRIBUTED.

8. THE CHAIRMAN HAS INTRODUCED THIS REPORT AS ACCEPTED AT THE WORKING PARTY LEVEL. I CAN NOW SAY THAT WITH THE FOLLOWING INTERPRETIVE STATEMENTS AND RESERVES, AND THE REAFFIRMATION OF OUR PREVIOUS RESERVES AND STATEMENTS AT THE TIME THE STRATEGY WAS ADOPTED IN 1970 BY CON-
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SENSUS, THAT WE CAN ACCEPT THIS REPORT ON THE SAME BASIS. WE ASK THAT THIS STATEMENT BE INCLUDED IN THE ANNEX TO THE REPORT OF COMMITTEE II ON THIS ITEM AS A FORMAL STATEMENT OF THE DELEGATION OF THE UNITED STATES:

(1) WE AGREE THAT A GENERAL CLIMATE OF DETENTE SHOULD CREATE OPPORTUNITY FOR DEVELOPMENT AND UNDERSTAND THAT THE REFERENCE TO "FREEDOM FROM ALL FORMS OF EXTERNAL PRESSURES" IN PARA 6 MEANS, OF COURSE, IMPROPER EXTERNAL PRESSURES.

(2) WITH RESPECT TO PARA 25A, IT IS THE US VIEW THAT THE TDB RESOLUTION 73 (X) OF 1970 DID ESTABLISH A SET OF GENERAL PRINCIPLES ON PRICING POLICY AND ACCESS TO MARKETS FOR COMMODITIES.

(3) WITH RESPECT TO PARA 25B AND ALSO PARA 48, ALTHOUGH THE US DID NOT SIGN THE INTERNATIONAL COCOA AGREEMENT, THIS HAS NOT IMPEDED THE IMPLEMENTATION OF THE AGREEMENT BY THE COUNTRIES WHICH CONCLUDED IT. REGARDING MARKET ACCESS AND PRICING POLICY, MANY DEVELOPED COUNTRIES HAVE LIBERALIZED

IMPORT RESTRICTIONS AND FURTHER LIBERALIZATION IS EXPECTED IN THE MTN. IT IS THE RESPONSIBILITY OF THE DEVELOPING COUNTRIES TO TAKE ADVANTAGE OF SUCH LIBERALIZATION. PRIMARY RESPONSIBILITY FOR IMPROVING THE COMPETITIVE POSITION OF NATURAL PRODUCTS LIES WITH THE COUNTRIES PRODUCING THEM.

(4) WITH RESPECT TO PARAGRAPH 25C AND PARAGRAPH 49

THE US GOVERNMENT HAS INTRODUCED LEGISLATION CONTAINING A PROPOSED GENERALIZED SYSTEM OF PREFERENCES SCHEME.

(5) WITH RESPECT TO PARA 25D, WE RECALL THE US STATEMENT ON PARA 25 OF THE INTERNATIONAL DEVELOPMENT STRATEGY AND NOTE THAT ONLY UNDER EXCEPTIONAL CIRCUMSTANCES HAS THE US IMPOSED NEW TRADE RESTRICTIONS SINCE THE INCEPTION OF THE STRATEGY.

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(6) THE REFERENCE TO SOVEREIGNTY OF THE DEVELOPING COUNTRIES IN PARA 33 AND ELSEWHERE IN THE REPORT WE INTERPRET AS MEANING, OF COURSE, IN ACCORDANCE WITH INTERNATIONAL LAW.

(7) THE US CONDUCTS PERIODIC REVIEWS OF ITS COMMITMENTS AND RESERVATIONS UNDER THE IDS AND WE UNDERSTAND THAT RECONSIDERATION AS EXPRESSED IN PARA 35 DOES NOT BIND OR COMPEL THEIR WITHDRAWAL.

(8) WITH RESPECT TO PARAGRAPHS 46 AND 48, THE UNITED STATES GOVERNMENT CANNOT ACCEPT THE PROPOSITION THAT PRICING POLICY FOR COMMODITIES MAY PROPERLY BE DETERMINED BY EXPORTING COUNTRIES UNILATERALLY. UNILATERAL CONCERTED ACTIONS BY EXPORTING COUNTRIES CANNOT BUT PREJUDICE THE PROSPECTS FOR CONTINUED OR EXPANDED PRODUCER-CONSUMER COOPERATION WHICH HAS BEEN SO PAINSTAKINGLY DEVELOPED AND WHICH HAS, IN OUR VIEW, CONTRIBUTED SIGNIFICANTLY TO STABILITY IN PRICES AND GROWTH IN EARNINGS OF THE EXPORTING COUNTRIES. WE HAVE UNDERSTOOD INTERNATIONAL COOPERATION ON COMMODITIES TO BE GUIDED BY THE PRINCIPLES ENUNCIATED IN TDB RESOLUTION 73 (X) OF 1970. IT IS THE US GOVERNMENT'S VIEW THAT INTERNATIONAL COMMODITY AGREEMENTS MUST BE CONSIDERED ON A CASE-BY-CASE BASIS AND IN THE LIGHT OF THEIR USEFULNESS AND PRACTICAL FEASIBILITY IN DEALING WITH THE PROBLEMS BESETTING THE MARKET FOR THE PARTICULAR COMMODITY CONCERNED.

(9) THE REFERENCE TO THE ESTABLISHMENT OF A SCHEME OF SUPPLEMENTARY FINANCING IN PARA 54 IS ONE THAT HAS ALREADY BEEN EXTENSIVELY DISCUSSED, AND THE US DOUBTS THAT FURTHER CONSIDERATION WOULD BE PROFITABLE AT THE PRESENT TIME.

(10) ON PARA 55 I SHOULD LIKE TO EMPHASIZE THAT LOANS ARE EXTENDED ON APPROPRIATE TERMS ON THE ASSUMPTION THAT THEY BE REPAID ACCORDING TO A MUTUALLY AGREED SCHEDULE. THE PRACTICE OF
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RESCHEDULING DEBT IS NOT VIEWED BY THE US GOVERNMENT

AS A PRINCIPAL MEANS FOR AVOIDING DEBT CRISES AND REDUCING DEBT PROBLEMS. SOME COMBINATION OF ENHANCED RESOURCE FLOWS, TRADE, DEBT MANAGEMENT, AND, IF NECESSARY, DEBT RELIEF HAS THE GREATEST PROMISE OF SUCCESSFULLY REDUCING SUCH DEBT PROBLEMS.

(11) WITH RESPECT TO INTERNATIONAL MONETARY AFFAIRS (PARAS 56-59), IT IS THE US VIEW THAT THE INTERNATIONAL MONETARY FUND, AND IN PARTICULAR ITS COMMITTEE ON REFORM OF THE INTERNATIONAL MONETARY SYSTEM AND RELATED ISSUES (COMMITTEE OF TWENTY), IS THE ONLY PROPER FORUM FOR CONSIDERATION OF, OR AGREEMENT ON, MATTERS RELATING TO THE SUBSTANCE OF MONETARY REFORM OR ANY OTHER MATTERS RELATING TO THE STRUCTURE OR OPERATIONS OF THE INTERNATIONAL MONETARY FUND. ACCORDINGLY, US ACCEPTANCE OF THE REPORT DOES NOT REPRESENT THE US ACCEPTANCE OF ITS PROCEDURAL OR SUBSTANTIVE STATEMENTS ON MONETARY ISSUES INCLUDING THOSE RELATING TO REFORM, AND OPERATIONS.

(12) THE US DOES NOT, BY ITS ACCEPTANCE OF PARA 61 AT THIS TIME, WISH TO PREJUDGE THE DECISION WHICH MIGHT BE TAKEN IN UNCTAD WITH RESPECT TO ARRANGEMENTS FOR THE TRANSFER OF TECHNOLOGY INCLUDING A POSSIBLE CODE OF CONDUCT.

9. IN CONCLUSION, MR. CHAIRMAN, MAY I SUMMARIZE OUR VIEWS AS CONCERNING ESSENTIALLY THREE POINTS:

(A) OUR ACCEPTANCE OF THE PROVISION CONCERNING THE RECONSIDERATION OF RESERVATIONS PREVIOUSLY EXPRESSED IS WITHOUT COMMITMENT TO WITHDRAW ANY OF THEM;

(B) OUR GUIDING PRINCIPLE WITH RESPECT TO VARIOUS RECOMMENDATIONS IN THE REPORT IS NOT TO PREJUDGE IN ANY WAY THE FINDINGS OF THE VARIOUS PROFESSIONAL BODIES AND INTERNATIONAL ORGANIZATIONS WHICH ARE NOW ENGAGED IN

STUDY, ANALYSIS OR NEGOTIATIONS, SUCH AS:
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(I) THE COMMITTEE OF TWENTY FOR INTERNATIONAL
MONETARY REFORM;

(II) THE TRADE NEGOTIATIONS WHICH ARE EXPECTED
TO FOLLOW IN ACCORDANCE WITH THE DECLARATION OF TOKYO;

(III) THE STUDY AND RECOMMENDATIONS WITH
RESPECT TO THE TRANSFER OF TECHNOLOGY NOW UNDER WAY AT

UNCTAD; AND

(C) OUR CONVICTION WITH RESPECT TO MEASURES DEALING
WITH COMMODITY TRADE IS THAT THEY MUST TAKE INTO ACCOUNT
PRACTICAL REALITIES AND PROVIDE FOR PRODUCER-CONSUMER
CONSULTATION AND COOPERATION. KISSINGER

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